
GOVERNMENT OF THE DISTRICT OF COLUMBIA



**DEPARTMENT OF HOUSING AND COMMUNITY
DEVELOPMENT**

TESTIMONY OF
LEILA FINUCANE EDMONDS
ACTING DIRECTOR

PR 17-289
***“CONSOLIDATED PLAN FOR THE DISTRICT OF
COLUMBIA, FISCAL YEAR 2008 ACTION PLAN,
APPROVAL RESOLUTION OF 2007”***

COMMITTEE ON HOUSING AND URBAN AFFAIRS
THE HONORABLE MARION BARRY, CHAIR
COUNCIL OF THE DISTRICT OF COLUMBIA

TUESDAY, JUNE 19, 2007

JOHN A. WILSON BUILDING
1350 PENNSYLVANIA AVENUE, NW
WASHINGTON, DC 20004
10:00 A.M.

GOOD MORNING, CHAIRMAN BARRY AND MEMBERS OF THE COMMITTEE ON HOUSING AND URBAN AFFAIRS. I AM LEILA FINUCANE EDMONDS, ACTING DIRECTOR OF THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (DHCD OR THE DEPARTMENT). HERE AT THE TABLE WITH ME TODAY ARE GEORGE DINES, AGENCY FISCAL OFFICER AND VICTOR SELMAN, CHIEF OPERATING OFFICER, WHO WILL ASSIST IN RESPONDING TO YOUR QUESTIONS.

I AM PLEASED TO BE HERE TODAY TO TESTIFY ON AND REQUEST APPROVAL OF PROPOSED RESOLUTION 17-289 “THE CONSOLIDATED PLAN FOR THE DISTRICT OF COLUMBIA, FISCAL YEAR 2008 ACTION PLAN APPROVAL RESOLUTION OF 2007.” TODAY, I WILL BE TALKING TO YOU ABOUT DHCD’S PAST PERFORMANCE, SOURCES AND USES OF FUNDS, PLANS AND STRATEGIES, AND OUR GOALS AND OBJECTIVES FOR FY 2008.

THE ACTION PLAN IS THE DISTRICT’S ANNUAL APPLICATION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR THE USE OF FOUR (4) ENTITLEMENT GRANT PROGRAMS IN FY 2008:

- 1. THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM;**
- 2. THE HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME);**

- 3. THE EMERGENCY SHELTER GRANT PROGRAM (ESG);
AND**
- 4. THE HOUSING OPPORTUNITIES FOR PERSONS WITH
AIDS PROGRAM (HOPWA).**

DHCD IS THE DISTRICT'S DESIGNATED STATE AGENCY AND IS ACCOUNTABLE TO HUD FOR THE MANAGEMENT, OPERATION AND MONITORING OF THESE FOUR GRANTS, WITH EXCEPTION OF HOPWA, WHICH IS A PASS THROUGH FROM DHCD TO THE DC DEPARTMENT OF HEALTH HIV/AIDS ADMINISTRATION.

THE FY 2008 ACTION PLAN FOCUSES ON DHCD'S PROPOSED USAGE OF THESE GRANTS THAT SERVE LOW-TO-MODERATE INCOME RESIDENTS. IT ALSO PROVIDES DETAILS ABOUT THE ACTIVITIES TO BE FUNDED DURING THE NEXT FISCAL YEAR.

IN ORDER TO ENSURE THAT THE PRIORITIES SET FORTH IN THIS PLAN REFLECT THOSE OF OUR RESIDENTS AND STAKEHOLDERS, HUD REQUIRES THE DISTRICT TO DEVELOP AND FOLLOW AN APPROVED CITIZEN PARTICIPATION PLAN. THIS ENSURES THAT CITIZENS HAVE THE OPPORTUNITY TO PROVIDE FEEDBACK ON THE DEPARTMENT'S PROGRAMS AND SERVICES.

BASED ON THE CITIZEN PARTICIPATION PLAN, DHCD HELD SIX (6) PUBLIC HEARINGS FOLLOWED BY A 30-DAY REVIEW PERIOD PRIOR TO SUBMITTING THE ACTION PLAN TO THE CITY COUNCIL FOR APPROVAL. EACH HEARING PROCESS INVOLVED NOTIFICATION TO THE PUBLIC THROUGH DIRECT MAILINGS, EMAIL DISTRIBUTION, WEB SITE ACCESS, AND NEWSPAPER NOTICES.

IN DEVELOPING THE ACTION PLAN, WHILE RECEIVING COMMUNITY INPUT, DHCD CONSULTED CENSUS DATA AND NUMEROUS PUBLISHED PROFESSIONAL STUDIES ON THE DISTRICT'S DEMOGRAPHIC, HOUSING AND ECONOMIC PROFILES.

THE FY 2008 ACTION PLAN MARKS THE THIRD YEAR IN THE IMPLEMENTATION CYCLE FOR THE FIVE-YEAR CONSOLIDATED PLAN. EACH ACTION PLAN MUST BE SUBMITTED TO HUD 45-DAYS PRIOR TO THE START OF EACH PROGRAM YEAR.

ACTION PLAN COMPONENTS

THE FY 2008 ACTION PLAN BEGINS BY PROVIDING AN EVALUATION OF DHCD'S PAST PERFORMANCE FROM FY 2001-2006. DURING THIS TIME, DHCD PROVIDED:

- **THOUSANDS OF UNITS OF AFFORDABLE HOUSING;**

- **INCREASED HOUSING EDUCATION AND OUTREACH;**
- **EXPANDED HOMEOWNERSHIP OPPORTUNITIES TO THE DISTRICT'S INCREASINGLY DIVERSE POPULATIONS;**
- AND**
- **CONTRIBUTED TO ECONOMIC AND COMMUNITY REVITALIZATION.**

FOR THAT PERIOD, SOME OF OUR ACCOMPLISHMENTS INCLUDED:

- **PROVIDING 1,827 HOMEBUYER ASSISTANCE LOANS;**
- **ASSISTING 2,272 RESIDENTS TOWARD WITH THE PURCHASE OF THEIR APARTMENTS UNDER THE DC FIRST RIGHT TO PURCHASE LAW;**
- **FUNDING THE REHABILITATION OF 8,451 AFFORDABLE RENTAL OR HOMEOWNERSHIP UNITS;**
- **PROVIDING CONSTRUCTION ASSISTANCE FOR THE NEW CONSTRUCTION OF 5,086 AFFORDABLE RENTAL OR HOMEOWNERSHIP UNITS; AND**
- **SUPPORTING COMMUNITY REVITALIZATION BY ASSISTING WITH THE CONSTRUCTION OR REHABILITATION OF 74 COMMUNITY FACILITIES.**

FY 2008 PLANS AND STRATEGIES

FOLLOWING THIS SUMMARY OF ACCOMPLISHMENTS, THE ACTION PLAN DESCRIBES THE BASIS FOR ITS FISCAL YEAR

IMPLEMENTATION STRATEGY. THE ACTION PLAN IS CONSISTENT WITH AND SUPPORTS THE DEPARTMENT'S MISSION OF ASSISTING LOW- AND MODERATE- INCOME HOUSEHOLDS AND COMMUNITIES THROUGH THE RETENTION OF AFFORDABLE HOUSING, THE EXPANSION OF HOME OWNERSHIP OPPORTUNITIES, THE CREATION OF AFFORDABLE HOUSING FOR PEOPLE WITH SPECIAL NEEDS, AND SUPPORT FOR NEIGHBORHOOD ECONOMIC AND COMMUNITY REVITALIZATION.

FINANCIAL SOURCES

THE ACTION PLAN IS CONSISTENT WITH THE DEPARTMENT'S FY 2008 BUDGET THAT WAS APPROVED BY THE COUNCIL. THE FY 2008 SOURCES OF FUNDS THAT ARE AVAILABLE, BOTH FEDERAL AND LOCAL, ARE DESCRIBED IN THE ACTION PLAN.

THE NET AVAILABLE FEDERAL FUNDING FOR FY 2008 IS APPROXIMATELY \$110 MILLION.

- **\$76.2 MILLION IN CDBG;**
- **\$22.1 MILLION IN HOME FUNDS;**
- **\$831,246 IN ESG ENTITLEMENT GRANTS; AND**
- **\$11.1 MILLION IN HOPWA GRANT FUNDING**

IN ADDITION, THE DEPARTMENT HAS \$1.5 MILLION IN LEAD-SAFE WASHINGTON GRANTS.

THE NET AVAILABLE LOCAL FUNDING FOR FY 2008 IS APPROXIMATELY \$160 MILLION.

- **\$129.5 MILLION IN THE HOUSING PRODUCTION TRUST FUND;**
- **\$1.9 MILLION IN LOCAL APPROPRIATION; AND**
- **\$28.6 IN LOAN REPAYMENTS AND OTHERS FUNDS**

THE DEPARTMENT USES FEDERAL AND LOCAL RESOURCES TO FUND HOUSING AND COMMUNITY DEVELOPMENT PROJECTS, PROGRAMS, AND DELIVERY COSTS. IN ADDITION, DHCD ALSO USES THESE FUNDS TO LEVERAGE PRIVATE INVESTMENTS.

FINANCIAL USES

THE SPECIFIC ACTIVITIES THAT WILL BE UNDERTAKEN WITH THE FY 2008 RESOURCES ARE OUTLINED IN THE ACTION PLAN. TODAY, I'LL BRIEFLY DISCUSS A FEW OF THE SPECIFIC INITIATIVES THAT WE WILL PURSUE IN FY 2008 TO ACHIEVE OUR GOALS.

- **THE DEPARTMENT PLANS TO FINANCE THE REHABILITATION AND NEW CONSTRUCTION OF MORE**

THAN 2,300 AFFORDABLE HOUSING UNITS, BOTH RENTAL AND HOMEOWNERSHIP.

- **WE WILL CONTINUE TO IMPLEMENT OUR HOUSING “DEMONSTRATION INITIATIVES”, THAT WILL TARGET FOUR DISTINCT, UNDERSERVED POPULATIONS:**
 - 1. TEENAGE MOTHERS WHO ARE LEAVING FOSTER CARE;**
 - 2. INDIVIDUALS AND FAMILIES WHO ARE HOMELESS;**
 - 3. INCOME-ELIGIBLE RETAIL WORKERS; AND**
 - 4. LOW-INCOME ARTISTS.**
- **WE WILL CONTINUE TO EXPAND HOMEOWNERSHIP OPPORTUNITIES THROUGH OUR HOME PURCHASE ASSISTANCE PROGRAM. AT THE SAME TIME, WE WILL EXPLORE NEW OPPORTUNITIES FOR FIRST-TIME HOMEBUYERS. THESE INITIATIVES WILL PROVIDE MORE OPPORTUNITIES FOR HOMEOWNERSHIP AMONG LOW-TO-MODERATE INCOME DISTRICT RESIDENTS, WHILE WORKING TO INCREASE THE OVERALL PERCENTAGE OF HOMEOWNERSHIP IN THE DISTRICT.**
- **WE WILL CONTINUE TO WORK WITH COMMUNITY-BASED HOUSING COUNSELING ORGANIZATIONS TO PROVIDE COMPREHENSIVE HOUSING COUNSELING SERVICES TO NEARLY 12,000 RESIDENTS. THESE SERVICES INCLUDE:**
 - CREDIT AND FINANCIAL MANAGEMENT COUNSELING;**

- **COUNSELING FOR LANDLORD-TENANT DISPUTES AND EVICTION PREVENTION;**
 - **HOMEBUYER EDUCATION AND PRE- AND POST-HOMEOWNERSHIP COUNSELING;**
 - **MORTGAGE DEFAULT COUNSELING; AND**
 - **ACCESS TO DEPARTMENT HOUSING ASSISTANCE PROGRAMS.**
- **WE WILL CONTINUE TO WORK WITH COMMUNITY DEVELOPMENT PARTNERS TO FURTHER OUR GOAL OF STRENGTHENING EMERGING COMMERCIAL CORRIDORS BY PROVIDING TECHNICAL ASSISTANCE TO 1,500 SMALL BUSINESSES AND FUNDING THE REVITALIZATION OF 175 STOREFRONT FACADES.**

NOW I WOULD LIKE TO TAKE THIS TIME TO ENCOURAGE ALL RESIDENTS TO PARTICIPATE IN THE PLANNING PROCESS FOR THE FY 2009 ACTION PLAN. THIS PROCESS BEGINS IN OCTOBER AND CONTINUES THRU THE SPRING OF 2008. FOR FURTHER INFORMATION ON THIS PROCESS, PLEASE CONTACT THE DEPARTMENT AT 442-7200 OR AT OUR WEBSITE AT WWW.DHCD.DC.GOV.

CHAIRMAN BARRY, WE THANK YOU AND THIS COMMITTEE FOR YOUR SUPPORT AS WE CONTINUE TO FULFILL OUR MISSION. WE NOW SEEK YOUR APPROVAL OF PR 17-289.

**THIS CONCLUDES MY FORMAL TESTIMONY. MY STAFF AND I
WOULD BE PLEASED TO ANSWER ANY QUESTIONS YOU AND
MEMBERS OF YOUR COMMITTEE MAY HAVE. THANK YOU.**